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SUBJECT: Santiago Sept. 22 Media Report

Lead Story

¶1. Tension increases with Manuel Zelaya's return to Honduras and his request for refuge in the Brazilian embassy (Conservative, independent La Tercera, 9/22).

U.S.-Related News

¶2. The poverty rate in the United States in 2008 was 13.2%, due to the recession. The Obama administration has implemented policies to help alleviate the effects of the crisis, but more needs to be done. In this context, Department of State Western Hemisphere Economic Affairs Senior Advisor Charles Shapiro praised Chile's social programs. The scope of these programs will be presented at the launching of the Inter -American Social Protection Network today. The network's goal is for countries to learn about programs applied by other nations "to lower poverty and help our most needy fellow citizens," said Shapiro. In Bachelet's trip to Washington, President Obama said that the United States "has much to learn from Chile in this area," said Shapiro. "Chile is an example of how a country can move its people and its economy ahead. The lesson here is that governments must focus on putting their resources on those who are not prepared for the modern economy," concluded Shapiro (Government-owned La Nacion, 9/22).

¶3. President Bachelet will meet with President Bill Clinton briefly just before the launching of the Clinton Global Initiative today (El Mercurio, 9/22).

¶4. The Free Trade Agreements that Chile has signed provided its business sector with an array of commercial opportunities. Businesses, however, are not taking full advantage of the benefits these agreements offer. Such is the case of the FTA signed with the United States. Although this is the most successful agreement that Chile has yet signed, local exporters are not fulfilling the quotas assigned to different products. In 2008, for example, only 6% of the quota for cheese was fulfilled; 58 % of the quota for powdered milk, and 0% of the quota for butter. The same happened with

poultry. In 2008, the quota was increased to 8,820 tons, but only 12% was used. Chilean agricultural attach???? to the United States, Gonzalo Ibanez, said one reason is that the United States has a highly subsidized market. But there is also the need to standardize sanitary protocols (El Mercurio, 9/21).

¶5. Hilton will open a Hilton Garden Inn near the Santiago international airport (La Tercera, 9/22).

¶6. A Bank of American-Merrill Lynch report says that Chile will see a solid economic recovery in the latter half of 2010, mainly due to increase in the level of confidence in the private sector and consumers (El Mercurio, 9/22).

¶7. Column: "The United States will not install a long-range anti-missile defense system in Europe... which marks the end of a central element of Bush's foreign policy. Most European governments will be alleviated by the news, because they saw the system as a source of unnecessary friction with Moscow. The Czech government will also be alleviated; The majority of its people objected to installing a military facility in the country. Poland, on the other hand, will be unhappy, because it was glad to be increasing

military ties with the United States ... and Israel has reacted with unusual calm. . . . The change that Obama has introduced strengthens the climate of distension that characterizes his administration (Raul Sohr column, La Nacion, 9/18).

Nuclear weapons

¶8. Editorial: "We cannot delegate the control of nuclear military technology to the International Atomic Energy Agency (IAEA) or U.N. Security Council resolutions only. The current General Assembly must promote strengthening the effective commitment to stop the proliferation of this military technology that threatens all countries alike, without exception" (El Mercurio, 9/22).

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